

Strategic Priority 1: Values-based diplomacy and Australia's aid and development

Recommendation 1.1 Australia's diplomacy and development assistance program should be based on a clearly articulated set of national values and communicated and practised on this basis.

Recommendation 1.2 Within Australia's foreign policy architecture, international aid and development should be assigned the same level of priority as defence, trade and diplomacy as a means to achieve Australian security and prosperity.

Why should Australia have a values-based foreign policy?

1. As global geopolitics emerge to reflect a more multipolar world order, the prospect of increasing numbers of flashpoints, stalemates and conflicts increases. Established, waning and emergent powers will seek to consolidate and increase their strength and, ultimately, will seek to pursue their own interests. For countries such as Australia to navigate the complex ties we have with a range of allies and trading partners, it is pivotal that we conceive of our interests in the long term and can avoid a series of short-term and entangling engagements by acting consistently to achieve our goals.
2. We believe that Australian values provide a strong framework for guiding our behaviour in foreign engagements and for evaluating our foreign policy choices over the next decade. Notwithstanding the need to be aware that outcomes may take some time, Australia will, invariably have short-term interests that need to be acted upon. In doing so, we believe that Australian values should be the bottom line, against which trade-offs are judged to be acceptable or not.
3. A values-based approach to foreign policy is a strong proposition because there is broadly an Australian character that is widely recognised, championed and supported by the Australian public. It consists of a range of attributes and is underpinned by our system of government, history and culture.
4. Australia is a liberal democracy founded on the rule of law, with a long tradition of national social policy focused on addressing the circumstances of people in need. Australia is also a nation built on migration which we have turned to our advantage in many ways, with society recognising the value in our diversity.¹ We have played a significant role in establishing a post-war global system of cooperation, protection of human rights and dispute mediation through the United Nations. As the only Western country surrounded by developing countries, successive Australian governments since World War II have implemented significant development assistance programs in Asia, the Pacific and Africa.
5. The reason that successive governments have treated this form of assistance as central to Australian foreign policy for 70 years is that that it directly reflects mainstream values held by Australians. These core values also underpin the social and political consensus shaping our long-standing approaches to domestic policy.

6. Specifically, these values are: a fair go; consideration of equity for those 'doing it tough'; a democratic structure in which the concentration of power is limited; a desire to actively promote peace, stability and free commerce; and working with other countries to promote a rules-based international order. In sum, Australians have supported a prominent international development role in Australia's foreign policy for decades because it articulates the fundamental values and beliefs about who we are as a people.
7. As a further demonstration of this platform of community values, 1.6 million Australians support 130 Australian development NGOs with donations of \$1 billion per annum to assist others overseas. Our universities are deeply connected to other countries through international students attending Australian institutions and Australian scholars engaged overseas. Similarly, Australian businesses engage in, and benefit from, international commerce and rely on being able to operate overseas without undue constraints. Diaspora communities link host and origin countries, and their work contributes substantially to economic, social and political activities in both societies. In short, Australia has been an outward-oriented and pro-active global citizen since the middle of last century.
8. Future Australian foreign policy, including its development assistance component, needs to be framed in a way that continues to be linked to this base within mainstream community values. Our foreign policy needs to demonstrate that successive national governments are still tied closely to those values.
9. This will contribute to ensuring vital domestic support for Australia's overseas engagements. If pursued in line with our values, Australians will see and support the merits of our diplomacy and international development assistance program. If our foreign policy and aid and development efforts continue to reflect a commitment to supporting those doing it tough, in our region and beyond, and to be directly helping to improve the circumstances of the most vulnerable and assist poor communities to lift themselves out of poverty, most Australians will continue to support this major pillar of Australia's foreign policy framework.

Why aid and development is a key tool of foreign policy

10. Australia faces a decade that will be characterised by the need to respond to pressing challenges including multipolar geopolitics, climate change, rising extremism, protracted humanitarian conflicts and associated people movements, increasing isolationism and protectionist sentiment, and entrenched poverty and inequality.
11. We believe that aid and development is one of Australia's strongest tool capable of being deployed to address these issues. Australia's aid and development is simultaneously a way of projecting our values and national character towards moral ends, and pragmatically and strategically addressing root cause problems that are undermining global efforts towards security and prosperity.
12. As States jockey for influence and the need to assert their power, these pressing challenges, common to all in the family of nations, will require a re-assertion of the norms that act as a constraint on power and limit the acceptable range of actors' behaviours to pursue their own interests (see Strategic Priority 4: Promoting multilateralism and human rights). Leadership will be required to build the necessary conditions of cooperation to address problems that

cannot be solved by any one nation alone. Similarly, leadership will be required to prevent the potential negative ramifications of these challenges from further realisation. Australia is in a strong position to play a role in both building cooperation and leading prevention.

13. Through aid and development efforts, we have built a strong reputation as being a cooperative and principled partner. We can use this asset and diplomatic skills to continue to promote cooperative and partnering approaches to foreign policy problems, bilaterally, multilaterally and through the United Nations.
14. Similarly, through our aid and development efforts, Australia can contribute to a preventive approach on issues such as conflict and insecurity, economic instability, climate change, inequality, and corruption and impunity. Taking a preventive approach to these problems would greatly contribute to establishing the conditions necessary for global long-term economic growth and social stability.

The mitigating potential of Australian aid and development

15. **Pacific:** In Pacific Island States our historical links and proximity compel us to assist relatively poor countries facing significant development challenges. Rapid resource depletion in the Pacific including forests and fish stocks warrant our urgent attention for future economic sustainability and social stability. The threats of climate change and associated extreme weather – which costs States significant proportions of GDP each time – demand our attention. The Pacific’s growing youth population will require expanded opportunities for employment to prevent further deterioration of social stability.
16. **Asia:** Myanmar is making a historical transition to democracy. However, the long-held ethnic tensions and divisions between civilian and military leadership have not been adequately addressed. Australia must ensure that the ethnic and religious equality of all citizens is being upheld in that transition, and engage fully to shore up relations for the future.
17. Similarly, Indonesia and Timor–Leste should continue to be a focus for Australia to support their shifts away from authoritarian rule to democratic societies. These countries, despite having substantial relative wealth in resources or urban areas, have rising inequality and huge swathes of their populations living in poverty that require further development assistance.
18. Afghanistan provides a prime example of how States failing to provide basic services and governance for their citizens can drive people to support radical and extreme groups. In response to the global spillover of violent extremism being bred in that country, Australia joined the international community in providing troops and increasing aid and development. However, we have since cut that development support, failing to grapple with the ongoing potential of a revitalised and strengthened Taliban and Al Qaida if the Afghan people are not supported in their development.
19. **Africa:** Africa is expected to account for more than half of the world’s population growth over the next 35 years. The continent overall has high rates of economic growth from a low base. Yet Africa has the most countries with the highest number of people living in extreme poverty (less than \$1.90 per day). The connections between Australia and the continent are strong: over 330,000 Australians were born in sub-Saharan Africa and another 51,450 from North

Africa; and Australian investment in Africa is estimated to be worth around \$30 billion. In 2015 the value of two-way trade was \$8.5 billion; and 4,800 African students took up studies at Australian tertiary institutions in 2015, and there are over 5,000 Australian Awards alumni in Africa. It is a prudent investment to re-engage Southern and Eastern African counties using our development assistance program to augment these growing connections and help ensure human development.²

¹ 83–86 per cent of Australians report to agree with the statement ‘multiculturalism has been good for Australia’. See Markus, Andrew. *Mapping Social Cohesion: The Scanlon Foundation surveys 2016*. The Scanlon Foundation, Monash University, Australian Multicultural Foundation, 2016, p. 50.

² Background paper on Australian–African relations, available upon request.